Fifth Development (1954 8) Department

Ms SERIES.

G.O. No.

Dated 22 9 1948

[Despatch Abstract.]

Audit report - Hindu Religious Endowments Board - Fasli 1356 -Reviewed.

3643/14-11-47

AUDIT REPORT ON THE ACCOUNTS OF THE HINDU RELIGIOUS ENDOWMENTS BOARD FOR THE PERIOD FROM 1ST JULY 1946 TO 30TH JUNE 1947, Fasli 1356

Name of the auditor: Sri S.R. Ramadasan,
Superintendent, City Audits.
Time taken for audit: From 20th September 1947 to 7th Novbr.47.

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1. The Audit of the accounts was conducted in accordance with G.O.No.2654, L.&M., dated 23rd June 1936 and G.O.No.3635, L&M dated 21st September 1937.

(ii) During the period under audit the office of the President was held by Sri T.M. Chinnaiya Pillai, M.A., B.L. from 1st July 1946 to 9th May 1947 and from 31st May 1947 to 30th June 1947 and by A.S.M.Nair, Esq., B.A.B.L., Barrister-at-law, from 10th May 1947 to 30th May 1947.

(iii) An abstract of the receipts and charges of the Board is appended. The opening balance in the Cash book was in agreement with the closing balance of the previous falsi and the closing balance viz., Rs.5,62,825-11-5 was in agreement with that appearing in the bank pass books after allowing for outstanding cheques and unremitted revenue on hand at the close of the year.

2. The irregularities noticed during the monthly audits were communicated to the President in the monthly objection statements. An objection statement containing the minor defects noticed during the annual audit has also been communicated to the President separately. These objection statements should be read as part of the report. The more important irregularities are detailed below.

3. FINANCIAL POSITION OF THE BOARD.

(a) The general transactions Account of the Board opened with a balance of Rs.1,88,631-1-10 and closed with a balance of Rs.1,58,632-11-10 the receipts and charges thereunder being Rs.3,91,862-14-4 and Rs.9,21,861-4-4 respectively. These figures include a sum of Rs.25,000 investments realised in the year and a sum of Rs.2,95,000 invested during the year.

(b) The receipts under Contribution during the fasli aggregated to Rs.7,88,959-12-8 as against Rs.8,35,985-1-5 in the previous fasli. During the fasli, the temples in the City of Madras were brought under assessment with reference to Act X of 1946 (Date of publication 2-4-1946) and even with this additional income there was a marked fall in receipts as compared with that of the previous year. The percentage of collection to demand under Contribution arrears and current worked out to 43.09 and 74.3 respectively as against 51.5 and 75.5 respectively in the previous year. The current demand under contribution for fasli 1356 was Rs.8,38,346-12-8 as against Rs.7,90,426-8-9 for fasli 1355.

(c) The closing balance on 30th June 1946 was Rs.3,80,676-5-5 while that on 30-6-1947 was Rs.5,62,825-11-5. The increase is mainly due to the heavy uninvested deposits relating to the Temples received for the purpose of being invested in the National Savings Certificates. At the end of the fasli the Board had a sum of Rs.2,19,888-8-10 under Miscellaneous Deposits as against Rs.1,42,246-13-11 only during the end of the previous fasli.

4. ACTION PENDING ON THE LAST AUDIT REPORT.

(a) Paras 15 and 16 of Audit Report Fasli 1354:-

(Paragraph 4 (1) of Audit Report 1355)

p.t.o.

Provident Fund contributions due in respect of Board's servants on War Service have not yet been recovered. Early action would need to be taken with reference to Government's Memo. Education & Public Health, 46125-Fl-% & R, dated 31-1-47.

(b) Paras 4 (f) and 22 of the Audit Report - Fasli 1354:-

(Para 4 (2) of Audit Report 1355)

The registeres snowing the details of properties taken over from five temple committees were not still produced for verification though pointed out in two successive audit reports, together with the papers connected with the handing over and the taking over of the properites.

(c) Para 4(g) of Audit Report - Fasli 1354:-

(Para 4 (3) of Audit Report for fasli 1355)

A sum of Rs.1-10-0 is still pending recovery towards principal. The interest on the amount advanced (Rs.50/-.) is also pending recovery.

(d) Para 4(c) of Audit Report for Fasli 1354.

(Para 4 (4) of Audit Report for Fasli 1355)

Papers relating to the taking over charge of Tools and Plant and office furniture of the abolished Committees have not been produced yet.

(e) Para 4(j) of Audit Report - Fasli 1354.

(Para 4 (5) of Audit Report 1355)

Reports, to show, that the stock registeres of tools and plantx of the moffussil offices were verified by the Divisional Commissioners concerned were not made available.

(f) Para 5 of Audit Report - fasli 1354):-

(Para 4(6) of Audit Report 1355)

The registers of tools and plant of the Temple Committees were not available for verification.

(g) Para 7 of Audit Report - Fasli 1355 :-

(Para 4 (7) of the Audit Report 1355)

Arrear contribution pending over ten years aggregating to Rs.7,755/- still remain uncollected.

(h) Para 13 of Audit Report - Fasli 1354:-

(Para 4(9) of the Audit Report 1355)

The amount paid in excees on account of increment granted irregularl during the probation period amounted to Rs.43-15-0 has not been recovered yet.

(i) Para 17(1) of Audit Report - Fasli 1354:-

(Para 4 (10) of Audit Report Fasli 1355)

The action taken with reference to the orders of Government in Memorandum No.71983-Fl-2/46 dated 13-2-1947 and this office letter No.LF.10013 dated 11-3-1947 was not stated.

p.t.o.

(j) Para 18(1) and (2) of Audit Report for fasli 1354:-

(Para 4(11) of Audit Report - Fasli 135)

Orders of Government have not yet been obtained.

(k) Para 10 of Audit Report for fasli 1355:-

REGISTER OF VALUABLES.

Though pointed out in last year's audit report the valuables contained in the sealed packets were not verified by any responsible officer of the Board and the fact was not certified to even during this year.

5. AUDIT FUND

According to Section 69 (2) of the Act every match, temple or specific endowment attached to a match or temple the annual income of which for the fasli year immediately preceeding is not less than Rs.1,000/- shall pay annually for meeting the cost of auditing its accounts a sum not exceeding 1½% of its income as the Board may determine and these sums are credited to the 'Audit Fee Fund' as required by section 69(3) of that Act. The credits during the year under Audit Fund, contributions were Rs.392629-12-5 and Rs. 7,88,959-12-8 respectively. The entire charges incidental to the collection of the Contribution and Audit fee were debited to the 'General transaction account' of the Board. No proportionate debit has been raised in the 'Audit Fee fund' towards collection charges.

6. DEPOSIT REGISTER.

A sum of Rs.4,918-13-2, received in a 1 from 106 institutions from 10-[illegible]-1926 to date towards charges of audit, is still outstanding in the Deposit Account. As a separate audit fund has been constituted by amended Act X of 1946, it is for consideration as to whether this sum, outstanding in the Deposit register, may be merged with 'the audit fee Fund' which is also intended for meeting the expenses of audit.

7. OMISSION IN ASSESSMENT.

Several temples and maths detailed in item 15 of the annual Objection Statement were not assessed in fasli 1356 though some of these were assessed for fasli 1355.

8. CITY TEMPLES. -OMISSION IN ASSESSMENT.

The provisions of the Hindu Religious Endowments Act, 1926 were extended to the City temples by Act X of 1946. A complete list of the temples that come within the scope of the Act does not appear to have been taken and many temples would appear to have been left unassessed even during the fasli under audit. A reference is invited to paragraph 26 of the Board's Administration report for fasli 1355.

9. ASSESSMENT TO CONTRIBUTION - EFFECTS.

(a) INCOME FROM SERVICE INAMS.

In G.O.No.2993, P.H., dated 20-11-1945 it was laid down that the income from the service inams should be excluded for purposes of assessment. However, during the fasli under audit the income from service inams was included and assessed in case of temples owned by the Sivaganga Estates while in the case of Ramnad Samasthanam temples a sum of Rs.15,000/- shown under receipts under 'Service Inams' was not included for the purpose of assessment. The principle adopted in the matter of assessment of the Service Inams would need to be placed on record.

o.t.o.

(b) MANDA ESWAR TEMPLE (MANGALORE TALUK).

Two sums of Rs.309-15-0 and 30-1-5 received in cash being the amount for Manganir Aradaham and keeping the light on gopuram were excluded from the gross income for the purposes of assessment. As this amount was given for the benefit of the temple the deduction is unauthorised.

(c) SRI VENKATARAMANA TEMPLE (MANGALORE TALUK)

Out of the total receipts of Rs.39,059-0-9 a sum of Rs.600/- being the salary paid to 'property clerk' was deducted along with other deductions allowed by rules. Salary paid to property clerk was not defined as charges for collection establishment. The authority for such deduction was not also pointed out.

(d) GOVERNMENT GRANT: ASSESSMENT FOR MAINTENANCE OF SCHOOLS:

A sum of Rs.3, 83/- being the grant received from Government towards maintenance of schools in the Bobbili Estate temples was excluded from receipts in assessing to contribution for fasli 1355 as it was held that it is not a receipt to devasthanam, whereas in Kannikaprameswari temple, Vizianagaram Town and Navaneethakrishnaswami temple, Tenkasi taluk, Tinnevelly district, the Government grant for schools of Rs.3,036-1-0 and Rs.1,330-3-0 paid to the respective temples was included in income for purpose of assessment. No authority was shown in support of the omission in the 1st case and the inclusion in the latter cases.

10. SUSPENSE ACCOUNT.

(a) The amount under suspense as on 30th June 1947 was Rs.34,752-0-0 as against Rs.24,848-7-7 at the end of the previous fasli. A sum of Rs.22,093-12-9 only was adjusted out of Rs.31,997-5-2 credited during the year. Special steps require to be taken for early adjustment of the amount under suspense.

(b) Unadjusted balance under suspense:-

The following amounts held under suspense were shown as pending adjustment though more than three years have elapsed since their receipt.

NAME OF DISTRICT.	DATE OF RECEIPTS	AMOUNT Rs.	As.	Ps.
West Godavari	7-9-1943	69	6	5
	16-12-1943	20	3	10
Anantapur	5-4-1944	29	12	0
Kurnool	14-12-1943	2	11	2
	29-12-1943	7	1	10
	27-3-1944	23	10	2
	28-2-1944	252	6	0
Coimbatore.	5-5-1944	26	5	2
	30-11-1944	32	0	0

11. IRREGULAR GRANT OF DUTY ALLOWANCE TO HEAD CLERKS OF ASSISTANT COMMISSIONER'S OFFICE:

In G.O.No.Mis.1153, E.& P.H., dated 15-4-1946 the Government approved the prpposal of the Board to convert 17 of the 1st division clerks' posts in the scale of Rs.55-5-/2-100 into a new grade of 1st division senior clerks' post in the scale of Rs. 70-10/2-120 with effect from 1-7-1946. The orders were not however given effect/from 1-7-1946 and the duty allowance of Rs.5/- per mensem to each continued to be paid.

12. GRANT OF INTERIM RELIEF TO THE BOARD'S SERVANTS:

The Board granted an interim relief to the servants at the rate sanctioned by the Government to its servants in G.O. No.717, Finance, dated 20-9-1946--Board's Resolution No.14 dated 14th February 1947. The sanction of Government was not obtained and produced for the payments made.

13. ADVANCE UNDER OUT-FEES:-

A sum of Rs.63/- being the amount advanced to Sri K.V. Ramachandra Iyer, Advocate in 1944 and 1945 still remains to be accounted for. Similarly a sum of Rs.500/- advanced to G.Damodar Rao, Advocate in 1945 remains to be accounted for.

14. DELAYS IN MAKING INVESTMENTS OF TEMPLE FUNDS:

The following are a few cases where the sums received from temples for investment in the National Savings Certificates were not invested even after a lapse of several months. The Board is thus unnecessarily keeping heavy amounts in its hands without depositing them promptly in the matter required.

DATE OF RECEIPT.	NAME OF THE INSTITUTION FROM WHICH THE AMOUNTS WHERE RECEIVED.	AMOUNT
		Rs.
31-8-1948	Bogis araswami Temple, Damagarla Kurnool district	500
13-11-1946	Lakshminarasimhaswami temple, Puthakonda Agraharam, Cocoanada Taluk, East Godavari District.	500
9-12-1946	Laksnminarasimhaswami temple, Mangalagiri, Guntur District.	1,000
do.	Sundareswarar temple, Muthupet, Tanjore district	5,000
8-2-1947	Trivikrama temple, Cherukur, Guntur district.	2,000
17-2-1947	Valaith ttathayyan temple, Ayyampalayam, Coimbatore district.	1,500
20-2-1947	Soundareswarar temple, Muthupet, Tanjore district	3,000
24-2-1947	Ambalavaneswaraswami temple, Gugari, Salem	1,000

15. CHECK OVER THE COLLECTION OF CONTRIBUTION BY ASSISTANT COMMISSIONERS AND INSPECTORS;

One of the items of check over the collection made by the Board's outd or staff is that the Board's office should call for the completed books of counterfoils of temporary receipts and check them with the weekly cash book extracts received from the Assistant Commissioners. This check was invariably not exercised, as can be seen from the fact that several temporary receipt books issued even in March 1946 were not received back. About a hundred receipt books still remain to be obtained from the local officers and checked with the account rendered by them.

16. ....

p.t.o

16. DEFECTS IN THE PREPARATION OF ESTABLISHMENT PAY BILLS & THE MAINTENANCE OF SERVICE BOOKS:- (a) The particulars of confirmation transfer etc. are not recorded in the monthly pay bills.

(b) The establishment audit register was not kept uptodate and --postings were not made monthly as payments were made. The bills were passed with reference to the previous bills without a reference to the establishment audit register.

(c) The service registers and leave accounts were not forthcoming in many cases during the monthly audits.

Service registers of the individuals noted in item 14 of the annual objection statements were either incomplete or were not ppoduced for the verification of entries. Finger prints and the signature of the head of the office were not obtained in several cases.

17. STOCK REGISTER OF TOOLS AND PLANTS: (a) The tools and plant registers of the head office were not verified and a certificate of verification was not recorded for the year under audit.

(b) Tools and Plant return of the eight Assistant Commissioners& offices noted below were alone received:
1.Coimbatore, 2.Palghat, 3. Tellicherry, 4.Madras & Chingleput, 5.Nellore, 6.Guntur, 7.Mangalore and 8.Kurnool.

The returns from other Assistant Commissioners were not produced for verification.

18. OBJECTION STATEMENTS AND FURTHER REMARKS NOT RETURNED WITH REPLIES:

The objection statements and further remarks detailed in Annexure 'A' were not returned with replies.

19. AUDIT FEES DUE TO GOVERNMENT: A sum of Rs.4,566-5-0 being the fee for the audit of the accounts of the Board from 1-4-1946 to 31-3-1947 is due to be credited to Government.

20. The result of audit may be considered satisfactor.

21. RECEIPTS AND CHARGES: The Receipts and charges of the Fasli were Rs.20,08,289-14-3 and Rs.18,26,140-8-2 respectively.

22. OBJECTIONS PENDING CLEARANCE: Five hundred and eighty objections involving a sum of Rs.20,685-1-11 were pending settlement at the close of the audit as showin in the Annual Objection Statement.

P.V.Ananthanarayana Ayyar,
Dy.Examiner of Local Fund Accounts.

Forwarded to the President, Hindu Religious Endowments Board, Madras with reference to G.O.No. 2229, L.&.M., dated 14-6-1927 with the request that the report may kindly be returned in original to this office within two months with replies in triplicate together with 3 copies of the proceedings of the Board thereon for transmission to Government.

2. Attention is invited to paragraph 19 of the report regarding the amount of audit fee payable to Government for the audit of accounts of the Board for fasli 1356. It is requested that the audit fee may kindly be credited to Governme t at an early date and the fact intimated to this office.

Copy forwarded to the Secretary to Government, Education & Public Health Department,Fort St. George,Madras.

Sd. x x x
Dy.Examiner of Local Fund Accounts.

p.t.o.

ANNEXURE A.

OBJECTION STATEMENTS NOT RETURNED WITH REPLIES.

Sl.No.	Month.	When issued.
1.	Objection statement for the month of July'46	L.F.7994/10-1-47
2.	do. months of August & September 1946	L.F. 10107/10-3-47
3.	do. months of October & November 1946	L.F. 981/18-5-47
4.	do. months of December'46 and January 1947	L.F. 2846/4-8-47
5.	do. months of February and March 1947	L.F. 4726/9-10-47

Further Remarks on Objection Statements not returned with replies.

Sl.No.	Month (Period)	When further remarks issued.
1.	Further Remarks on Objection statement for July 44	L.F.1441/6-6-47
2.	do. September & October 44	" 1440/ "
3.	do. December 44 and January 1945	" 1434/ "
4.	do. February 45	" 1431/ "
5.	do. March & April 45	" 1437/ "
6.	do. May & June 45	" 1435/ "
7.	do. A.O.S. for Fasli 1354	" 1438/ "
8.	do. July & August 45	" 1439/ "
9.	do. September & October 45	" 1433/ "
10.	do. November & December 45	" 1432/ "
11.	do. January 46	" 1436/ "
12.	do. February 46	" 9808/1-8-1947
13.	do. March 46	" 1430/6-6-47
14.	do. April 46	" 1713/18-6-47
15.	do. May 46	" 542/ 26-4-47
16.	do. June 46	" 1714/18-6-47
17.	do. A.O.S. for Fasli 135[illegible].	" 541/ 26-4-47

/True copy/

Sd. x x
Superintendent, City Audits,
Office of the Examiner of
Local Fund Accounts, Madras.

p.t.o.

Abstract of Annual Accounts of the Madras Hindu Religious Endowments Board for Fasli 1356 (1-7-46 to 30-6-47)

Head of Account.	Opening Balance on 1-7-1946 (Fasli 1356)			RECEIPTS. Fasli 1356			EXPENDITURE Fasli 1356.			Closing Balance on 30-6-47.			Remarks.
xx	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	
A. General Transactions	1,88,631	1	10	8,91,862	14	4	9,21,861	4	4	1,58,632	11	10	
				31,907.	5	2.							
B. Suspense	24,648	7	7	~~31,907~~	~~5~~	~~2~~	22,093	12	9	34,752	0	0	
C. Advance Recoverable	13,096	4	3	12,653	0	8	11,589	2	5	12,032	6	0	
D. DEPOSITS.													
i) Miscellaneous deposits	1,42,246	13	11	6,43,466	8	8	5,65,824	13	9	2,19,888	8	10	
ii) Provident Fund deposits	17,935	1	1	35,680	5	0	37,277	9	11	16,337	12	2	
													5,62,825 11 5
Total of Deposits.	1,60,181	15	0	3,92,629	12	5	2,67,493	13	0	1,45,247	0	7	3,81,473 5 7
Grand Total	3,80,676	5	4	20,08,289	14	3	18,26,140	8	2	5,62,825	11	5	General Balance 1,81,352 5 10

/True copy/

3d. x x /Superintendent,
City Audits.
Office of the Examiner of Local Fund Accounts.

Copy of letter L.F. No.4213,dated 25-8-1948 from the Deputy Examiner of Local Fund Accounts to the Secretary to Government, Firka Development Department,Madras.

Sub: Replies to the Audit Report - Hindu Religious Endowments Board for Fasli 1356.

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PARA 9(b) OF AUDIT REPORT: The amounts specified constitute a part of the income of the Temple and do not stand on the same footing as thex amounts "Harikasevas" referred to in the Judgment for the reason that these amounts are included in the accounts of the temple and cannot be treated as remuneration to the Archaka. The deduction of these amounts does not accordingly appear to be in order.

PARA 9(d) OF AUDIT REPORT. ~~Exanxxxinxindexxinxthexxxxxxxx~~ The Head-clerk's post in Assistant Commissioner's office was converted as Senior First Division clerks from 1st July 1946 in G.O.N.Mis.1153, Education & P.H. dated 15th April 1946. The payment of duty allowance to these Head clerks after 1st July 1946 is inadmissible and will have to be recovered. The merger of the posts of First Division Senior clerks with I Division clerks changing the designation as Upper division clerks does not appear to warrant the revival of the Head clerk's allowance without the specific orders of Government in this behalf.

PARA 12 OF AUDIT REPORT. The ratification of Government for the payment of interim relief to the servants of the Board is considered necessary as it was in excess of the pay and allowances admissible under the existing rules.

Sd. x x

Dy.Examiner of Local Fund Accounts.

GOVERNMENT OF MADRAS
Abstract.

Audit report - Hindu Religious Endowments Board - Fasli 1356 - Reviewed.

-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x-x

Firka Development Department

G.O.Ms. No.626 Dated 22-9-1948.

READ:- From the Examiner of Local Fund Accounts, L.F.5643 dated 14-12-47.
From the President, Hindu Religious Endowments Board No.105822/48-1, Accts. dated 20-2-48.
From the Examiner of Local Fund Accounts, L.F.4213, dated 25-8-48.

ORDER:

~~Read the following:~~

2. PARAS 3 (b), 3 (c) AND 14 OF THE AUDIT REPORT.

The receipts under contribution fell from Rs.8.35 lakhs during Fasli 1355 to 7.89 lakhs during the fasli under review. The percentage of collection to demand under contribution, arrears and current also fell short of those during the previous falsi - the percentage being 43.09 and 74.3 respectively, as against 51.5 and 75.5 respectively in the previous fasli. The Board should take special steps to get the balances collected soon. The Board should also take immediate steps to see that the temple funds received for investment in the National Savings Certificates are disposed of soon.

(ii) PARA 4(b) OF THE AUDIT REPORT:

Tools and plant Registeres of the temple committees maintained at the time of abolition should be produced before the Examiner of Local Fund Accounts

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(iii) PARA 4(h) OF THE AUDIT REPORT:

The President, Hindu Religious Endowments Board is informed that as already ordered in para 5 of G.O.No.1696, P.H. dated 5-6-1946, the service of a probationer cannot be termed as 'duty' unless such service is followed by confirmation. He is therefore requested to take early steps to recover the amount in question.

(iv) PARA 5 OF THE AUDIT REPORT.

As an Audit Fund has separately been constituted and a separate head has been opened in the account, the proportionate expenditure of the collection establishment should be debited to the Audit Fund.

(v) PAR 9(a) OF THE AUDIT REPOR :

The President, Hindu Religious Endowments Board is requested to issue clear orders laying down the principles on which the assessment in respect of the income from the service inams should be made.

(vi) PARA 9(b) OF THE AUDIT REPORT:

An extract of the further remarks of the Examiner of Local Fund Accounts is co municated to the President Hindu Religious Endowments Board for necessary action.

(vii) PARA 9(d) OF THE AUDIT REPORT

The President, Hindu Religious Endowments Board is informed that all the grants included in the temple accounts are liable to assessment and that no exemption is permissible.

(viii) PARAS 11 AND 12 OF THE AUDIT REPORT:

An extract of the further remarks of the Examiner of Local Fund Accounts is communicated to the President, Hindu Religious Endowments Board and he is requested to take steps to obtain separately the orders of Government on these matters.

(ix) PARA 22 OF THE AUDIT REPORT:

Five hundred and eighty objections involving a sum of Rs.20,685-1-11 were pending settlement at the close of the audit. Steps should be taken to settle the objections soon.

(By Order of His Excellency the Governor)

x x x

Secy.to Government

To the President, Hindu Relgious Endowments Board (with enclosure).

The Examiner of Local Fund Accounts.

/True copy/

Office Assistant, 28/7

Madras Record Office.

PSR.8-1-54.

28/7/54